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MEDA represents over 230 members, who are actively involved in local economic activity, community development, job retention and job creation for Montana.

January 9, 2013

TO: Chairman Jon Sonju and members of the Senate Business, Labor and Economic Affairs Committee

RE: Revision of Big Sky Trust Fund wage rate laws

Montana Economic Developers Association (MEDA) stands in support of SB30 which would revise the Big Sky Trust Fund (BSTF) wage rate laws.

The Big Sky Trust Fund is a key economic development tool for Montana and has aided in the development of many good paying jobs for Montana residents. Making the wage rates adjustments outlined in SB30 would bring consistency with other programs that provide funding for workforce training, including the Primary Sector Workforce Training Program.

In addition, this adjustment would give counties with higher average wages the ability to apply for the program for good projects that create good jobs. The program is designed to support the creation of new jobs with higher wage potential.

It should be noted that the revision of the Big Sky Trust Fund wage rates would only make an application eligible; the application would still be analyzed and approved on its merits by the Montana Department of Commerce.

Thank you for your support of SB30.

For MEDA,

Tracy McIntyre, President

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BUSINESS & LABOR

EXHIBIT NO. 3
DATE 1-11-13
BILL NO. SB 30



January 10, 2013

Dear Chairman Sonju and Members of the Committee:

This letter is to show the Butte Local Development Corporation's support for Senate Bill 30. As the lead economic development entity for Butte-Silver Bow, we are fully aware of the benefits that the Big Sky Economic Development Trust Fund offers businesses. We definitely feel that SB 30 will make this program even more of a valuable economic development tool to help build our economy.

The program is designed to assist businesses that are starting up, relocating into the state or expanding their current operations. The amount of program funding is based on the number of jobs created after the application is accepted. A majority of new hires start at lower wages due to lower skill levels as it relates to the company's needs. As their skills grow, so does their value to the company and their opportunity for increased salary growth.

Currently the threshold to qualify for the Big Sky Trust Fund program in Butte-Silver Bow is \$17.73/hr. exclusive of benefits. This is a very high salary level for starting unskilled or semi-skilled positions, which is a majority of the positions in a manufacturing company. Since the number of qualifying positions determine the funding levels, this dramatically reduces the amount of assistance the Big Sky Trust Fund program can provide companies.

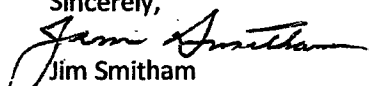
A good example of this situation is SeaCast of Montana. They are a investment casting company located near Butte that manufacturers precision parts for the aviation, transportation and medical industry. They received a grant to purchase, relocate and set-up a titanium furnace. They currently have 70 employees. Their starting salaries are approximately \$12/hr. plus full benefits. To date only 30 employees salaries have reached the pay threshold as designated within the program, thus SeaCast has not been able to fully utilize the amount that was authorized under the Big Sky program.

SeaCast recently formed a joint venture with GE Aviation to manufacturer component parts for the new GE high efficiency jet engines. This new partnership is projected to create additional jobs for southwest Montana. There will also be a need for new manufacturing equipment. The Big Sky Trust Fund would be an excellent resource to help with the financing of the new equipment. The adjustments as proposed in SB 30 would provide vitally needed assistance to help this new manufacturing facility grow and create jobs.

Once again, the Butte Local Development Corporation fully supports SB 30 and asks the committee to cast a "Do Pass" vote.

If you have any questions regarding this letter or our support of SB 30, feel free to contact me at (406) 723-4349.

Sincerely,


Jim Smitham
Executive Director

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SWEETGRASS DEVELOPMENT

SERVING NORTH CENTRAL MONTANA – CASCADE, GLACIER, PONDERA, TETON AND TOOLE COUNTIES

January 10, 2013

TO: Chairman Jon Sonju and Members of the Senate Business, Labor and Economic Affairs Committee

RE: Support of SB 30; Revision of the Big Sky Trust Fund Wage Rate Laws

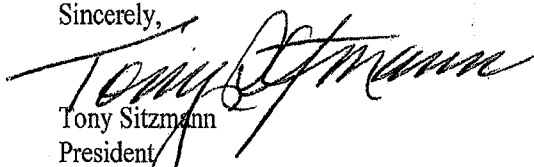
Sweetgrass Development is comprised of a five county region in North Central Montana including Glacier, Cascade, Pondera, Teton and Toole Counties. Sweetgrass Development is an Economic Development District with designation through the U.S. Economic Development Administration as well as a Certified Regional Development District through the state of Montana. The mission and objectives of the organization are to assist the governments and citizens in each county and the Blackfeet Nation, achieve their economic goals, while preserving their distinct cultures and way of life.

Sweetgrass Development supports SB 30 including benefits in the wage requirements as well as modifying the wage threshold. This program has been utilized by many within our region. In most projects, the program was incredibly successful. There are a few exceptions where the funds were obligated, but the wage requirements were unable to be met. This bill will assist those primary sector entities that were unable to meet the wage requirements, and thus, unable to utilize the training dollars. In addition, this adjustment would give counties with higher average thresholds the ability to promote the program and have the private sector create new jobs. This will enhance the program, expanding business opportunities, supporting the creation of new jobs with higher wage potential.

Modifying the wage requirement levels and the inclusion of benefits shall allow smaller manufacturers the opportunity for growth. Allowing for a lower threshold, inclusive of wages and benefits, will provide increased employment and faster growth. This ultimately leads to higher wages, an increased local tax base and additional state funding. Competition is fierce and any added incentives and opportunity for private sector growth is essential to better our economy. Additional funding opportunities are essential for companies to increase the number of trained employees, meeting the growing demand from consumers. This legislation evens the playing field for those entities that may be just getting started or that need the additional funding to keep up in an ever changing business world. Education and training is the key to any successful endeavor and modifying the wage requirements for workforce training is a step in the right direction, paving the way for a skilled workforce and future economic development in our state.

We urge you to please support SB 30. Thank you for your time and consideration.

Sincerely,


Tony Sitzmann
President
Sweetgrass Development

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